



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

**Date:** 9/9/2005

**GAIN Report Number:** E35179

## EU-25

### Organic Products

### Growth in Organic Farming in the EU15

### 2005

**Approved by:**

Norval Francis

U.S. Mission to the EU

**Prepared by:**

Karin Bendz

---

**Report Highlights:**

The area under organic farming increased by about 21 percent between 1998-2002. The organic farming area reached 3.8 percent of the total utilized agricultural area, compared to 1.8 percent in 1998. The average size of area organically cultivated was about 35 ha in 2002, but there is a great variation within the European Union.

The European Commission aims at publishing a draft of the reviewed regulation on organic farming in late autumn.

---

Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Brussels USEU [BE2]  
[E3]

Organic farming in the EU15 is growing according to figures from Eurostat, which says that the area cultivated organically increased by about 21 percent annually in the EU15 between 1998 and 2002.

The total organic area in the EU15, fully converted or under conversion has increased from 2.3 million hectares in 1998 to 4.9 million hectares in 2002. This represents an increase from 1.8 percent in 1998 to 3.8 percent in 2002, and an average growth rate of nearly 21 percent per year.

**Organic area, fully converted and under conversion in the EU15**

State	1998	2002	2003	Annual Growth rate 1998-2002 (Percent)	Average size of area organically cultivated (ha)
<b>EU15</b>	2,280,645	4,886,979	n,a	21.0	35.1
<b>BE</b>	11,744	29,118	n,a	25.5	40.3
<b>DK</b>	93,201	164,519	161,381	15.3	44.3
<b>DE</b>	414,293	696,978	734,027	13.9	44.6
<b>EL</b>	15,402	77,120	n,a	49.6	12.9
<b>ES</b>	269,465	665,055	725,254	25.3	40.3
<b>FR</b>	218,775	517,965	550,990	24.0	45.9
<b>IE</b>	24,411	29,754	28,514	5.1	32.4
<b>IT</b>	577,475	1,168,212	1,052,002	19.3	22.9
<b>LU</b>	744	2,858	n,a	39.9	53.8
<b>NL</b>	22,268	46,610	41,866	17.6	27.3
<b>AT</b>	280,966	299,454	326,703	1.6	16.1
<b>PT</b>	29,533	81,356	120,926	28.8	27.4
<b>FI</b>	116,206	156,692	159,987	7.8	30.3
<b>SE</b>	127,329	214,120	225,785	13.9	58.4
<b>UK</b>	78,833	741,174	695,619	75.1	180.6

Source: Eurostat

The Member States (MS) with the highest annual growth was the U.K with 75.1 percent and Greece with 49.6 percent. Lowest annual growth had Austria with 1.6 percent and Ireland with 5.1 percent. The average size of area organically cultivated was about 35 hectares in 2002. However there are big differences within the EU15. In the U.K the average size area was 180.0 ha and in Portugal 74.4 ha, whereas in Greece it was 12.9 ha and in Austria 16.1 ha.

In 2002, Austria had the largest share of total organic area, fully converted and under conversion, with 11 percent, followed by Italy who had 8 Percent. Ireland has the lowest share of organic farming with less than 1 percent.

The number of registered organic producers increased from 100,280 in 1998 to 135,191 in 2003. This represents an annual growth of about 6 percent. The share of organic producers among the total number of agricultural producers has been roughly the same since 2000 and stood in 2 percent in 2003. However the number of organic producers is declining slightly.

The most important organic crop is grass as fodder. In Ireland it is 91 percent, The U.K 75 percent, Austria 68 percent and in France 64 percent. Apart from grass, cereal crops appear to be the most important organic crop. Also, in the southern MS the influence of the olive groves is significant.

With regards to cereals Portugal, Italy and Austria have the highest share with 6.6, 5.0 and 4.9 percent respectively.

Only four MS have main foodstuffs crop areas with a share of above 30 percent. These are Portugal, Denmark, Italy and Belgium. With all the food scares we have had in Europe the interest for organic food is increasing. After a food scare there has been an important increase in the interest for organic foodstuffs, for a period of time.

More recent events is that from Poland reports say there has been an 83 percent rise in organic farm numbers in the first half of 2005. This increase is due to the fact that it is easy for many farmers to convert to organic farming in Poland since many of the farmers simply don't have the funds necessary to buy a large amount of fertilizers.

In Germany, the farmland devoted to organic agriculture is reported to increase by 4.6 percent in 2004, this would mean there is now some 768,00 hectares organically managed. Also the number of farms rose. There are now 16,600 organic farms in Germany, however the organic sector still claims only 4.5 percent of all farmland in Germany.

In France the government is keen to boost its organic sector and earlier this year it offered tax rebates to farmers who earn 40 percent or more of their income from organic produce.

The organic farming area in Spain is reported to expand in 2004, although the growth rate has slowed considerably in the past few years.

A general increase in the number of organic processors could also be observed during 1998-2003.

In the European Organic Action Plan, the Commission announced that it would propose that the current derogations for imports from third country imports would be replaced by a new permanent system.

To develop and establish this new permanent system, sufficient time is needed. In the meantime, to avoid trade disruptions the Commission proposes that the existing measures that end 31 December 2005 should instead end 31 December 2006.

The Commission proposal was agreed upon in SCA (Special Committee on Agriculture) on June 6. The Commission is now waiting for the opinion of the European Parliament and after that the proposal can be voted in a Council meeting.

The European Commission is currently reviewing the EU Regulation on organic farming (2092/91). This review has, according to IFOAM, the potential to be the most significant development for the organic farming sector since the regulation came into force in 1993. The Commission aims to publish a proposal in late autumn.

**Visit our website:** our website [www.useu.be/agri/usda.html](http://www.useu.be/agri/usda.html) provides a broad range of useful information on EU import rules and food laws and allows easy access to USEU reports, trade information and other practical information.

E-mail: AgUSEUBrussels@usda.gov

**Related reports from USEU Brussels:**

Report Number	Title	Date Released
E35121	Prolongation of the derogation for imports of organic products to the EU	06/27/05
E35075	Is the CAP reform a boost for organic production?	04/21/05
E34099	Possible changes in EU-legislation for organic farming	12/08/04
E34075	European Council adopts Organic Action Plan	10/19/04
E34025	European Action plan for Organic Food & Farming	06/21/04
These reports can be accessed through our website <a href="http://www.useu.be/agri">www.useu.be/agri</a> or through the FAS website <a href="http://www.fas.usda.gov/scriptsw/attacherep/default.asp">http://www.fas.usda.gov/scriptsw/attacherep/default.asp</a> .		